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Chair: Mr. Taalas ..... (Finland)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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The meeting was called to order at 10.05 a.m.

Agenda item 139: Human resources management
(A/67/888, A/67/888/Add.1, A/68/67, A/68/67/Add.1, A/68/129, A/68/130, A/68/348, A/68/356, A/68/373, A/68/373/Add.1 and A/68/523)

1. **Ms. Pollard** (Assistant Secretary-General for Human Resources Management), introducing the report of the Secretary-General on the composition of the Secretariat (A/68/356), said that there had been an overall decrease of 1,614 Secretariat staff since 2012, from 42,887 to 41,273. That reduction of around 3.8 per cent was primarily the result of changes in the field staff, most notably following the liquidation of the United Nations Integrated Mission in Timor-Leste (UNMIT), which had led to a reduction of 1,180 staff. It was noteworthy that the number of staff subject to the system of desirable ranges had increased in 2013, largely due to changes in the methodology for calculating which staff counted towards the desirable ranges mandated by the General Assembly in its resolution 65/247. As requested by the Assembly in its resolution 67/255, a table had been included that showed high-level appointments with one-dollar-a-year contracts. Another table showed the representation and economic grouping for staff subject to desirable ranges; the information had also been published online using the "HR Insight" online reporting tool.

2. Turning to the report on the practice of the Secretary-General in disciplinary matters and possible criminal behaviour for the period from 1 July 2012 to 30 June 2013 (A/68/130), she said that it provided a broad overview of the administrative machinery in disciplinary matters, a summary of the cases for which disciplinary measures had been imposed and statistics on the number and types of cases received by the Office of Human Resources Management during the reporting period, the number of cases completed and the disposition of those cases. The report also included data on the number of appeals contesting disciplinary measures imposed since the introduction, in 2009, of the new internal justice system and the status of those appeals before the United Nations Dispute and Appeals Tribunals. The last part of the report indicated the cases of proven misconduct and/or criminal behaviour in which the Organization had informed Member States of the matter.

3. Continuing the practice established the previous year, the report set out more information in each case summary than had been the previous practice, so as to better explain the considerations taken into account by the Secretary-General when deciding on what measures to impose. Disclosure was a delicate task, as it was important to ensure that the information provided did not breach the staff member's right to confidentiality.

4. Disciplinary cases were generally fact-specific and each case had unique mitigating and aggravating circumstances. Therefore, while equality of treatment and consistency were fundamental in considering disciplinary cases, it was difficult to extract general principles concerning the proportionality of a disciplinary measure in a particular case from the type of measures imposed in other seemingly similar cases.

5. Introducing the Secretary-General's report on amendments to the Staff Regulations and Rules (A/68/129), she said that the proposals were principally aimed at implementing decisions of the Assembly and strengthening or clarifying the Staff Regulations and Rules following judgments of the Dispute Tribunal.

6. **Ms. Dubinsky** (Director, Ethics Office), introducing the Secretary-General's report on the activities of the Ethics Office (A/68/348), said that the Office continued to strengthen delivery of services in accordance with its mandate to promote an organizational culture of integrity and accountability by supporting ethical leadership, administering the financial disclosure programme and the voluntary public disclosure initiative, providing confidential ethics advice to staff, responding to complaints of retaliation and increasing ethics awareness and education.

7. The 2012 financial disclosure cycle had achieved a record compliance rate of 99.9 per cent for the second year in a row; the Organization had engaged a new, more cost-effective external reviewer for the programme. The voluntary public disclosure programme enjoyed high levels of participation by senior officials at the level of Assistant Secretary-General and above. The Office had enhanced its efforts to promote ethical values and conduct among staff and had conducted outreach visits to several United Nations offices and missions in order to familiarize staff with its services. Such visits also helped the Office to better understand the challenges faced by staff in field missions and offices away from Headquarters. The leadership dialogue initiative enabled leaders and managers to engage in candid

discussions with their colleagues about the United Nations oath of office. Over 16,000 staff worldwide, including 5,000 in field missions, had participated in the initiative.

8. The provision of ethics services must be aligned with a clear understanding of the ethical risks the Organization faced. The Ethics Office had developed criteria by which to measure ethical and reputational risks and the impact of mitigation efforts over time.

9. The comprehensive review of the Organization's policy on protection against retaliation continued, with a focus on improving how the Organization encouraged the reporting of serious misconduct, protected whistleblowers and intervened to prevent retaliation. The Secretary-General would report to the Assembly at its sixty-ninth session on recommendations for enhancing the policy.

10. Lastly, the Ethics Panel of the United Nations — formerly the Ethics Committee — was the sole mechanism within the Secretariat and funds and programmes to promote a coherent and consistent application of ethics standards and to serve as a knowledge-sharing base for ethics officers.

11. **Mr. Ruiz Massieu** (Chair of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/68/523), said that, with respect to the composition of the Secretariat, the Advisory Committee reiterated its previous recommendation that the Secretary-General should supplement the raw data presented in his report with additional analysis of demographic trends and possible underlying reasons for them. The average age of Secretariat staff continued to rise and the Assembly had previously indicated that rejuvenation was a priority. The Advisory Committee therefore recommended that the age profile in particular should be kept under close review through monitoring of demographic trends.

12. The number of staff subject to the system of desirable ranges was currently 2,907, compared to 2,245 in 2012. While the number of unrepresented and underrepresented countries had improved over the previous two reporting periods, that had mainly been the result of the data review exercise undertaken during that time. The figures showed only minimal improvement when compared with those of 2009, bearing in mind that in 2010 the Assembly had approved, in its resolution 65/247, a change in the method of determining geographic status. The Advisory Committee recalled the Assembly's recommendation that the Secretary-General should continue his efforts to improve the geographical distribution of staff and noted that a comprehensive review of the system of desirable ranges was due at the sixty-ninth session.

13. With respect to the Secretary-General's practice in disciplinary matters, the Advisory Committee welcomed the elimination of the case backlog but remained concerned at the length of time taken to complete cases and expected the Secretary-General to take the necessary steps to prevent a recurrence of backlogs. The additional detail on the number of appeals contesting disciplinary measures was also welcome; future reports should provide additional analysis of emerging trends in that regard.

14. The proposed amendments to the Staff Regulations and Rules included the proposed addition of rule 1.2 (e) to include sexual exploitation and abuse as an instance of prohibited conduct under the basic rights and obligations of staff, with the aim of elevating the importance of the issue. While the Advisory Committee had no objection to the proposal, it believed that application of the zero-tolerance policy would require continued efforts above and beyond that addition to the Staff Rules.

15. On the activities of the Ethics Office, the Advisory Committee commended the Office on its efforts to increase ethics awareness through training and outreach, which might be responsible for the reduction in requests for services from the Office during the reporting period. The Advisory Committee requested that future reports should contain additional detail about the advice provided concerning the contractual oversight mechanisms put in place for some of the Secretariat's critical service vendors. It was also of the view that the Office had a role to play in offering advice on the ethical and reputational risks associated with the Organization's increased involvement with external partners and on the question of reliance on extrabudgetary contributions and associated policy issues.

16. The Advisory Committee supported the Secretary-General's efforts to negotiate more favourable terms with the external contractor engaged to review the financial disclosure programme and

recommended that the Assembly should be provided with updated information on the related cost savings and the anticipated reduction in the Office's operational costs for 2014-2015. The Advisory Committee looked forward to seeing the outcome of the review of the regulatory framework of the financial disclosure programme, which should be contained in the next report on the activities of the Ethics Office.

17. **Mr. Terzi** (Joint Inspection Unit (JIU), introducing the report of JIU on the review of individual consultancies in the United Nations system (A/68/67), said that non-staff personnel, including consultants, were becoming an important part of organizations' workforces. However, policy and regulations did not provide clear criteria for the use of those human resources and the implementation of policy was a matter of concern from the perspective of fair and socially responsible employment practices. Organizations' rules and regulations had no clear definitions or criteria for staff and non-staff contracts in functional terms. Usually, "staff" were defined as the personnel who were subject to staff rules and regulations. According to International Labour Organization (ILO) recommendations, however, the main yardstick for distinguishing between staff and non-staff contracts should be the employment relationship. If the work entailed an employer-employee relationship, then the contract should be a staff contract.

18. The Unit's findings indicated that many consultants worked in organizations for extended periods of time under successive short-term contracts. They were supervised by staff, were provided with office equipment, e-mail accounts and telephones, and complied with regular staff working hours, all of which were indicators of an employer-employee relationship. Some managers argued that they were careful not to use consultants for core functions, while others argued that core functions were not clearly defined, but according to international labour principles, an employer-employee relationship required a staff contract regardless of the type of function performed.

19. The review had indicated that organizations faced great risks in the use of non-staff personnel. Owing to the critical importance of the issue, JIU had launched a broader study of the use of all kinds of non-staff personnel in field offices. The preliminary findings showed that the use of other non-staff categories — such as contractors — was more prevalent and was a greater cause for alarm from the perspective of good employment practices. The pressure to deliver programmes with inadequate funding and inflexible staffing models, coupled with permissive policies on non-staff and lack of oversight, led organizations to make excessive use of non-staff contractual modalities. As a result, organizations had two parallel workforces on their premises with different entitlements and rights.

20. Having different statuses for similar types of work in the system, without a common set of rules and regulations, could have negative consequences in terms of fair employment practices, organizations' reputations and workforce coherence. Existing practice allowed organizations to grant successive consultancy contracts, with or without short mandatory breaks, that added up to long-term assignments. The practice was not in line with the nature of a consultancy contract and created conditions for the inappropriate use of that contractual modality. Inconsistent remuneration levels were applied within each organization and across the system and the guidelines were inadequate. Application of codes of conduct, conflict of interest rules and entitlements varied greatly from one organization to another. Although there was a significant number of consultants and other non-staff personnel working in organizations, they had no channels of labour representation or access to justice mechanisms. That was an unfair and unsustainable employment practice.

21. United Nations system organizations must set a good example in their employment practices and to that end they should align their policies with international labour principles and best practices. The Committee's endorsement of the JIU report would facilitate the improvement and harmonization of organizations' policy and practices.

22. **Mr. Fall** (Joint Inspection Unit), introducing the JIU report on lump-sum payments in lieu of entitlements (A/68/373), said that the review conducted by the Unit had considered whether the application of the lump-sum option for selected entitlements saved on overheads and provided greater flexibility for staff without any significant financial implications. It was presumed that the use of lump-sum payments in lieu of entitlements, which had been in effect in many United Nations system organizations at least since 1990, speeded administrative processes and generated significant savings. However, most of the organizations that had responded to the JIU questionnaire had attested that no cost-benefit analysis had been

conducted following implementation. Moreover, there were discrepancies in the application of the percentages and the base airfare used. The Unit recommended that executive heads should conduct a comparative analysis of the costs of providing the lump-sum option for home leave travel, after which legislative bodies would decide whether to take appropriate action.

23. Some entities did not strictly follow the regulation on reduction of the daily subsistence allowance when accommodation was provided, while others required documentary proof of payment for accommodation, contrary to the principle of the lump-sum option. Full compliance with the established daily subsistence allowance rates and relevant limitations should be ensured. Moreover, in the spirit of equality and in order to achieve financial savings, JIU recommended that payment of the additional daily subsistence allowance for certain officials under ST/AI/2003/9 should be suspended.

24. With respect to the shipment of personal effects and household goods, JIU observed that, in organizations where the lump-sum option was granted to a staff member, an attestation of receipt of the payment was required but proof of actual shipment was not. The rationale behind the requirement was that the lump-sum option was offered to facilitate the movement of staff and to reduce administrative costs. The Unit endorsed the practice, which could be extended to the lump-sum option for travel.

25. Staff in the same duty station received similar salaries under the International Civil Service Commission (ICSC) structure, but received different lump-sum amounts for home leave travel. With a view to enhancing coordination and cooperation within the United Nations system, the United Nations System Chief Executives Board for Coordination (CEB) should adopt a unified methodology for calculating the lump-sum entitlement. Similarly, the procedures and calculation should be harmonized so as to save time and paperwork; JIU recommended the adoption of a lump-sum amount covering all travel-related expenses when organizations purchased air tickets for the home leave travel of staff members. Indeed, ICSC should consider that approach when conducting its review of the compensation package, as it would be more fair for staff working in different United Nations system organizations, not to mention those in the same duty station.

26. The lump-sum option was beneficial to staff and organizations alike, but entailed considerable cost for Member States. For that reason, organizations and their staff — with management leading by example — should exercise fiscal responsibility by working together to reduce unnecessary costs while also ensuring that staff travelling to the same destination were treated equally.

27. Turning to the JIU report on staff recruitment in United Nations system organizations: a comparative analysis and benchmarking framework (A/67/888), he said that staff recruitment must be the subject of ongoing improvement if the United Nations was to secure staff with the highest standards of efficiency, competence and integrity while also upholding the principles of geographical representation, gender balance and equality of the official working languages. JIU had analysed the commonalities, discrepancies and good practices of organizations when recruiting external candidates for appointments of one year or longer and proposed the application of 15 recruitment benchmarks. It also made recommendations to Member States, United Nations system organizations and the CEB High-level Committee on Management.

28. JIU recommended greater involvement of human resources offices and staff representatives in the recruitment process in order to strengthen its legitimacy and avoid the perception of unfairness. The use of discretionary authority in recruitment, including for senior-level positions, could be detrimental to transparency and the competitive nature of the process, unless such authority was accompanied by systems of accountability and oversight. The existing regulations should be complemented by human resources strategies; employment procedures and policies; workforce planning; and competency frameworks that reflected changing realities.

29. The recruitment process, often complex and time-consuming, required strict monitoring and targeted action. The measures proposed to improve its effectiveness were the standardization of job descriptions, posting vacancies for no more than 30 days, combining the assessment and verification of references, the development of online recruitment techniques and the use of rosters. ICSC and the human resources network of the CEB High-level Committee on Management had a key role to play in updating the post classification system; ensuring common minimum education, work experience and language

requirements; and harmonizing vacancy advertisement and selection at the country level for some categories of staff.

30. While there had been some progress on the issue of gender balance, commitments on ensuring gender parity were not always honoured, particularly at the senior level. The principle of gender parity should be better incorporated in the institutional culture and staff rules as well as in recruitment strategies, policies, and procedures, bearing in mind that the paramount consideration in the employment of staff must be the necessity of securing the highest standards of efficiency, competence and integrity.

31. In the matter of geographical distribution, either a system of desirable ranges or systems based on regions or donor/programme countries applied solely to regular budget posts at the Professional level and above, contrary to the intent and spirit of the Charter and to the reforms under way in financing mechanisms and the composition of secretariats. JIU was therefore of the view that geographical distribution should apply to all posts established for one year or more at the Professional level and above and that measures to improve geographical distribution should be embedded in recruitment strategies, policies and practices.

32. **Mr. Herman** (United Nations System Chief Executives Board for Coordination), introducing the notes by the Secretary-General transmitting his comments and those of CEB members on the JIU reports (A/67/888/Add.1, A/68/67/Add.1 and A/68/373/Add.1), said that, on the matter of the use of consultants by United Nations system organizations, agencies emphasized the need to distinguish between contractual modalities, which applied to consultants, and appointments, which might apply to other types of non-staff contracts. Some agencies did not view the hiring of consultants as a human resources function and used procurement as the preferred mechanism for that purpose. Agencies also raised objections to the Unit's application of ILO conventions and recommendations, which in their view applied to States rather than directly to international organizations.

33. Concerns were expressed about some of the Unit's recommendations, including the recommendation that called for contracts of a shorter duration. Some agencies noted that they would have difficulty applying the recommendation because the duration of a consultancy contract, especially in the context of a technical assistance programme, was based on the duration of the relevant project or programme.

34. Despite those comments, agencies welcomed the thoroughness of the report (A/68/67) and expressed unqualified support for the recommendations pertaining to the need for policies on roles and responsibilities in the use of consultants and on the use of retirees as consultants.

35. In the matter of staff recruitment, agencies indicated that the Unit's comprehensive documentation of current practices and operations across the United Nations system would assist them in their efforts to improve recruitment. They also generally supported the JIU recommendations and confirmed that they would strive to ensure that their rules, practices and staffing processes adhered to the fundamental principles noted by JIU, while taking into account the directives of their governing bodies.

36. Organizations cautioned that in some cases the benchmarks proposed by JIU appeared to be conflicting. For example, both benchmark 14, on gender balance, and benchmark 15, on equitable geographical distribution, recognized efficiency, competence and integrity as the paramount employment considerations, but the inherent tension between the two benchmarks could not always be resolved equitably. Nevertheless, organizations had indicated that they were fully committed to the benchmarks.

37. With respect to lump-sum payments in lieu of entitlements, many agencies indicated that they utilized that practice for some entitlements, particularly related to travel, as a way of reducing overhead costs. They agreed that the use of such payments, if applied consistently and equitably across the system, could reduce the administrative burden of processing travel requests and yield significant savings for organizations. Agencies also accepted the recommendations of JIU for the most part.

38. Agencies consistently expressed appreciation for the system-wide reports of JIU, which contained comprehensive and in-depth analysis. While they did not always agree with the findings or accept the Unit's recommendations, they did not dispute that its reports contained a wealth of information that allowed them to make informed decisions. At the same time, they expressed concern that the recommendations did not always consider the environment agencies currently

faced. In particular, given the calls by Member States to increase efficiencies, agencies were striving to reduce overhead costs and therefore had fewer funds available to perform activities such as the in-depth analysis of the lump-sum option recommended by JIU. While such analyses would be useful, they were also costly to perform. Similarly, recruitment measures such as assessment centres or an e-recruitment system might prove costly and would therefore be difficult to implement during times of financial constraint.

39. **Mr. Daunivalu** (Fiji), speaking on behalf of the Group of 77 and China, said that the efficient and effective fulfilment of United Nations mandates hinged on the quality of its staff and the availability of resources. The Group therefore supported reforms aimed at forming a diverse and dynamic workforce with a view to making the Organization more effective, representative, transparent, accountable and responsive to Member States' needs. Staff welfare must remain a central consideration during the reform process, as motivated staff were loyal and productive. Reforms and changes must therefore be done in a consultative and non-discriminatory manner and must reflect the Member-State driven nature of the Organization.

40. The Group was confident that staff would understand the need to put in place good policies designed to shape a desirable Organization for the future. Performance management must be improved and human resources must be managed according to the highest standards of accountability and transparency. To that end, a set of transparent and quantifiable benchmarks should be developed.

41. There was a need to increase the representation of developing countries, particularly by women and at the senior level; to improve geographical distribution in the Secretariat; and to enhance the transparency of the recruitment process. Equitable representation was a key issue for the Group, not merely because it was a principle set out in the Charter and General Assembly resolutions but because it was crucial to the Organization's effectiveness. To effectively implement global mandates, the United Nations must have a global Secretariat and a truly international staff. It would be difficult to achieve progress in other areas if that that critical human resources dimension was not addressed.

42. It was regrettable that developing countries continued to be underrepresented at the Professional level and above. He urged the Secretary-General to take remedial action. The Group was not asking that recruitment standards should be compromised, but only that the net should be cast wider in order to recruit candidates from as broad a base as possible, so as to ensure that the United Nations staff truly represented the diversity of its Member States.

43. **Mr. Seah** (Singapore), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that the Secretary-General's efforts to reform outdated human resources management practices and streamline processes were commendable. ASEAN was concerned that developing countries and women remained underrepresented at the Under-Secretary-General and D-1 levels. The staff composition should reflect the diverse and international nature of the United Nations. While there was certainly a need to uphold the highest standards of efficiency, competence and integrity in recruitment and appointment, as the Assembly had reaffirmed in its resolution 67/255, the Secretary-General should also make proposals aimed at ensuring a more equitable gender and geographical distribution.

44. While the United Nations must have highly talented staff members in its service, motivation and management were equally important. The Organization should therefore review its performance management system, particularly in view of the proposed framework for mobility and career development to be considered by the Committee at the current session.

45. The report on the activities of the Ethics Office (A/68/348) painted an encouraging picture that the Secretariat and other United Nations entities were increasing their financial disclosure filings. However, the decrease in participation in the financial disclosure initiative by staff in peacekeeping operations was a matter of concern that should be addressed. He hoped that disclosure requirements would be uniformly applied and that any irregularities would be dealt with expeditiously.

46. **Mr. Xie** Xiaowu (China) said that the uneven representation in the Secretariat was a matter of concern to his delegation; the underrepresentation of developing countries, especially in management posts, was particularly worrisome. He welcomed the Secretariat's efforts to address the issue and reiterated that, in the context of human resources management reform, it was imperative to implement the Assembly's resolutions on equitable representation. Candidates

from unrepresented and underrepresented countries should be given priority in recruitment and appointment so that universal representation was achieved as soon as possible.

47. The Secretariat had made tremendous efforts in recent years to improve its human resources management policies on competitive examinations, recruitment, appointment, promotion, training, career development, staff welfare and disciplinary measures. His delegation encouraged the Secretariat to make further use of those policies, seek to stabilize the workforce through the integrated use of tools such as contract management, performance appraisal, and benefits and allowances, and to enhance communication between management and staff in order to lay a solid foundation for the Organization's functioning and programme delivery.

48. **Ms. Koyama** (Japan) said that the Organization suffered if its human resources management did not function properly. Good human resources management meant ensuring that the right people were in the right positions at the right time, based on a fair and merit-based system that ensured a diverse, multi-skilled and versatile staff who worked together towards the effective fulfilment of mandates.

49. Resolving the issue of the non-representation and underrepresentation of Member States — including her own — had been a long-standing challenge for the Secretariat. Her delegation requested the Secretary-General to continue his efforts to ensure equitable geographical distribution within the Secretariat staff. The young professionals programme was crucial in improving geographical representation. She looked forward to receiving details of the comprehensive review of the programme to be submitted to the Assembly at its sixty-ninth session.

50. **Mr. Alenezi** (Kuwait) said that human resources were a pillar of the United Nations and therefore human resources management reform was vital to its work. The disciplinary measures outlined in the relevant report of the Secretary-General (A/68/130) were one of the main tools for such reform. He affirmed his delegation's full support for the reforms already achieved and paid tribute to United Nations staff, particularly those who worked in difficult circumstances and faced life-threatening situations in the performance of their duties.

51. Improving equitable geographical distribution in the Secretariat was of utmost importance. Giving unrepresented and underrepresented countries the opportunity to participate in the work of the Organization would enhance its credibility and transparency; he expressed the hope that the reforms under way would achieve that result. Moreover, senior positions should not be monopolized by some States to the detriment of others.

52. **Mr. Lieberman** (United States of America) said that the United Nations could not do its work without the dedication of its staff and for that reason the agenda item on human resources management was one of the most critical to the Organization's success.

53. With respect to the proposed amendments to the Staff Regulations and Rules, the inclusion of sexual exploitation and abuse as a specific instance of prohibited conduct would represent useful progress towards full adherence to the Secretary-General's zero-tolerance policy.

54. The Ethics Office's efforts in the areas of outreach, training and education; procurement ethics; and financial disclosure were commendable. He welcomed the start of the review of policy and practices in respect of protection against retaliation. His delegation was concerned at the low number of reported cases and the fact, as the Office had noted, that the policy continued to be utilized as a grievance and labour dispute mechanism; he expressed the hope that the review would address those issues.

The meeting rose at 11.20 a.m.